

§ 20.23

permittee shall describe the proposed variation and set forth the reasons for using it.

(2) *Approval by regional director (compliance).* The regional director (compliance) may approve an emergency variation from requirements if:

- (i) An emergency exists;
- (ii) The variation from the requirements is necessary;
- (iii) It will afford the same security and protection to the revenue as intended by the specific regulations;
- (iv) It will not hinder the effective administration of this part; and
- (v) It is not contrary to law.

(3) *Conditions of approval.* A permittee may not employ an emergency variation from the requirements until the regional director (compliance) has approved its use. Approval of variations from requirements are conditioned upon compliance with the conditions and limitations set forth in the approval.

(4) *Automatic termination of approval.* If the permittee fails to comply in good faith with the procedures, conditions or limitations set forth in the approval, authority for the variation from requirements is automatically terminated and the permittee is required to comply with prescribed requirements of regulations from which those variations were authorized.

(c) *Withdrawal of approval.* The Director may withdraw approval for an alternate method or procedure, or the regional director (compliance) may withdraw approval for an emergency variation from requirements, approved under paragraph (a) or (b) of this section, if the Director or the regional director (compliance) finds that the revenue is jeopardized or the effective administration of this part is hindered by the approval.

(Approved by the Office of Management and Budget under control number 1512-0336)

(Act of August 16, 1954, Ch. 736, 68A Stat. 917 (26 U.S.C. 7805); sec. 201, Pub. L. 85-859, 72 Stat. 1395, as amended (26 U.S.C. 5552))

§ 20.23 Approval of formulas and statements of process.

The Director is authorized to approve all formulas for articles and statements of process relating to recovery

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operations or other activities required to be submitted on Form 5150.19.

§ 20.24 Allowance of claims.

The regional director (compliance) is authorized to allow claims for losses of specially denatured alcohol or specially denatured rum.

§ 20.25 Permits.

The Director shall issue permits covering the use of specially denatured spirits by the United States or a Governmental agency as provided in § 20.241. The regional director (compliance) shall issue the industrial alcohol user permit, Form 5150.9, required under this part.

[ATF-332, 57 FR 40849, Sept. 8, 1992]

§ 20.26 Bonds and consents of surety.

The regional director (compliance) is authorized to approve all bonds and consents of surety required by this part.

§ 20.27 Right of entry and examination.

An ATF officer may enter, during business hours or at any time operations are being conducted, any premises on which operations governed by this part are conducted to inspect the records and reports required by this part to be kept on those premises. An ATF officer may also inspect and take samples of distilled spirits, denatured alcohol, specially denatured rum or articles (including any substance for use in the manufacture of denatured alcohol, specially denatured rum or articles) to which those records or reports relate.

§ 20.28 Detention of containers.

(a) *Summary detention.* An ATF officer may detain any container containing, or supposed to contain, spirits (including denatured spirits and articles), when the ATF officer believes those spirits, denatured spirits, or articles were produced, withdrawn, sold, transported, or used in violation of law or this part. The ATF officer shall hold the container at a safe place until it is determined if the detained property is liable by law to forfeiture.